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**1981/06/00**

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OPENING PRESENTATION - STRATEGIC OVERVIEW

INTRODUCTION

--THIS IS THE FIRST VISIT TO CHINA BY A SECRETARY OF STATE SINCE NORMALIZATION, AND OUR FIRST MAJOR BILATERAL EXCHANGE DURING THE REAGAN ADMINISTRATION.

--WE HAVE EAGERLY LOOKED FORWARD TO THIS OPPORTUNITY. IT IS VERY SIGNIFICANT FOR BOTH US AND CHINA.

--I WAS LAST HERE NINE YEARS AGO, AT THE BEGINNING OF THE US/CHINA RELATIONSHIP. US/CHINA RAPPROCHEMENT WAS THE MOST SIGNIFICANT FAVORABLE STRATEGIC DEVELOPMENT OF THE 1970'S.

--IN THE 1980'S WE NEED TO STRENGTHEN OUR COOPERATION TO MEET THE MAJOR THREAT TO WORLD PEACE AND SECURITY, SOVIET EXPANSIONISM. THAT THREAT HAS GROWN TREMENDOUSLY OVER THE PAST DECADE DUE NOT ONLY TO A MASSIVE SOVIET ARMS BUILD-UP, BUT ALSO TO THE FAILURE OF THE WEST TO RECOGNIZE AND CONFRONT THE CHALLENGE.

--PRESIDENT REAGAN WAS ELECTED ON A PLATFORM DEDICATED TO RESTORING AMERICA'S STRENGTH AND LEADERSHIP. THE U.S. HAS RECOVERED FROM THE TRAUMAS OF THE 1960'S AND 70'S AND IS PREPARED TO MOVE BEYOND ITS PASSIVE POST-VIETNAM FOREIGN POLICY TO DEAL DECISIVELY WITH THE REALITIES OF THE 1980'S.

--I AM HERE TO EXPLAIN HOW PRESIDENT REAGAN VIEWS THE WORLD, AND TO EXPLORE WAYS OF COOPERATING WITH YOU IN A GLOBAL EFFORT TO HALT AND TURN BACK SOVIET IMPERIALISM.

DEPARTMENT OF STATE

IS/FPC/CDR

Date: 12/5/96

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THE SOVIET THREAT

--WE AGREE WITH YOU THAT THE SOVIETS AND THEIR PROXIES ARE THE MAJOR THREAT TO WORLD PEACE IN THIS DECADE, AND THAT IT IS IMPERATIVE THAT ALL PEACE-LOVING NATIONS UNITE TO PREVENT THEM FROM ACHIEVING THEIR AIM OF GLOBAL DOMINATION.

--THE SOVIETS HOPE TO ACHIEVE THIS GOAL DIRECTLY OR INDIRECTLY WITHOUT WAR, BUT THEY WILL NOT HESITATE TO USE MILITARY FORCE IF THEY BELIEVE THEY CAN GET AWAY WITH IT.

--YOU ARE AS FAMILIAR AS WE ARE WITH THE PATTERN OF THE SOVIET EFFORT TO ACHIEVE MILITARY SUPERIORITY. IN EVERY AREA -- STRATEGIC AND THEATER, NUCLEAR AND CONVENTIONAL, ON LAND, AT SEA AND IN THE AIR -- THEY HAVE SPENT THEIR RESOURCES LAVISHLY. THEY HAVE ACHIEVED STRATEGIC EQUALITY WITH THE WEST, AND ARE GOING ALL OUT TO ACHIEVE SUPERIORITY IN THE NEXT FEW YEARS. IN SEVERAL THEATERS, THEY HAVE ALREADY ACHIEVED DANGEROUS SUPERIORITY.

--THEIR STRATEGY IS GLOBAL. THEY ARE MAKING EVERY EFFORT TO TRANSLATE THEIR GROWING MILITARY POWER INTO POLITICAL DOMINATION OF NATIONS THROUGHOUT THE WORLD.

--THEY ARE USING TWO POWERFUL INSTRUMENTS TO DO THIS:

--INTIMIDATION. THEY SEEK TO USE THEIR MILITARY BUILD-UP TO OVERAWE THE NATIONS ON THEIR BORDERS AND BEND THEM TO THEIR WILL. THEY SEEK TO SPLIT THE ALLIANCES AND COALITIONS THAT OPPOSE THEM, AND TO FORCE THE WEAKER MEMBERS TOWARD NEUTRALITY AND CAPITULATION.

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--USE OF PROXY FORCES. THEY EXPLOIT INSTABILITY AND REGIONAL CONFLICTS IN STRATEGIC AREAS OF THE THIRD WORLD. THEY ENLIST FOREIGN SURROGATES WHO FIGHT ON THEIR BEHALF AND ALLOW BASES, PREPOSITIONED WAR RESERVE MATERIEL AND TRAINING ON THEIR TERRITORY. THESE SURROGATES ALSO SERVE AS SOVIET MOUTHPIECES INTERNATIONALLY.

--USING THESE TOOLS, THEY HAVE GAINED INCREASING FREEDOM OF ACTION OVER THE PAST DECADE. THEIR RECORD OF STRATEGIC GAINS IS IMPRESSIVE.

-- SOVIET INTERVENTION, DIRECTLY OR THROUGH SURROGATES, IS OCCURRING IN AFGHANISTAN, KAMPUCHEA, EL SALVADOR, AND THROUGHOUT AFRICA. THEIR PRESSURE ON STRATEGIC CHOKE-POINTS IS STEADILY INCREASING.

-- IN EUROPE, WHERE WARSAW PACT FORCES OUTNUMBER THOSE OF NATO, THE SOVIETS ARE WAGING A POLITICAL AND DIPLOMATIC CAMPAIGN TO WEAKEN SUPPORT FOR US MILITARY TIES AND BLOCK NATO'S MILITARY MODERNIZATION.

-- IN THE MIDDLE EAST AND SOUTHWEST ASIA, SOVIET INTERVENTION IN AFGHANISTAN AND SUPPORT OF RADICAL GROUPS AND TERRORIST ACTIVITIES HAS CREATED AND EXACERBATED TENSIONS THROUGHOUT THE REGION. THEY HAVE MADE IT DIFFICULT TO ACHIEVE A LASTING AND

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COMPREHENSIVE ARAB-ISRAELI PEACE SETTLEMENT. THEIR ROLE IN THE CURRENT LEBANON CRISIS COMPLICATES EFFORTS TO NEGOTIATE A PEACEFUL RESOLUTION OF THE CONFLICT. THE SOVIETS ARE NOW STRATEGICALLY POSITIONED TO THREATEN THE WORLD'S ACCESS TO PERSIAN GULF OIL.

-- IN AFRICA, MOSCOW CONTINUES IT EFFORTS TO GAIN FOOTHOLDS, ESPECIALLY IN THE HORN AND SOUTHERN AFRICA. THE SOVIETS HAVE GAINED ACCESS TO FACILITIES IN ANGOLA, LIBYA AND ETHIOPIA AND SEEK--THROUGH CUBA AND LIBYA--TO EXTEND THEIR GRASP THROUGHOUT THE REGION.

-- IN THE WESTERN HEMISPHERE, THE SOVIET UNION, AGAIN THROUGH CUBA, HAS DEEPEND ITS PENETRATION AND INCREASED ITS SUPPORT FOR A WIDE RANGE OF SUBVERSIVE ACTITIVIES.

-- IN EAST ASIA, MOSCOW HAS ENHANCED ITS CAPABILITIES TO PROJECT POWER AND THREATEN PACIFIC SEA LANES BY GAINING ACCESS TO VIETNAMESE FACILITIES. IT IS THE INDISPENSIBLE UNDERWRITER OF VIETNAMESE HEGEMONISM. VIETNAM'S SOVIET-BACKED OCCUPATION OF KAMPUCHEA IS THE MAJOR THREAT TO SECURITY AND STABILITY IN THE REGION.

#### SOVIET WEAKNESSES

--DESPITE THESE STRATEGIC ADVANCES, THE SOVIET UNION HAS SERIOUS WEAKNESSES THAT CAN BE EXPLOITED.

--THEY HAVE NO REAL ALLIES; THEY HAVE AN EMPIRE RIVEN BY INTERNAL DISSENSION AND RESENTMENT OF THEIR DOMINATION.

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--THEY HAVE NO ANSWERS TO THE ECONOMIC AND SOCIAL ASPIRATIONS OF THE PEOPLES OF CENTRAL EUROPE OR CENTRAL ASIA WHO LIVE UNDER THEIR MILITARY DOMINATION.

--IN AFGHANISTAN, THE SOVIETS ARE BOGGED DOWN, WITH NO PROSPECT OF EARLY SUCCESS IN THEIR EFFORTS TO CONQUER A FIERCELY INDEPENDENT PEOPLE.

--IN POLAND, THEY HAVE SEEN THE RISE OF A TRULY INDEPENDENT AND POPULARLY-BASED WORKERS MOVEMENT WHICH THREATENS THEIR CONTROL.

--IN SOUTHEAST ASIA, THEIR SUPPORT FOR VIETNAMESE IMPERIALISM HAS ISOLATED THEM AND HAS RAISED THE VIGILANCE OF THE OTHER COUNTRIES IN THE REGION TO THEIR DESIGNS.

--AND IN THE USSR ITSELF, THE SOVIET REGIME FACES MAJOR ECONOMIC AND SOCIAL CHALLENGES WITH LITTLE PROSPECT OF MEETING THEM. ITS ECONOMY IS MISMANAGED AND STAGNANT. ITS POLITICAL DOGMA HAS LOST ITS ATTRACTION, AND MOST SIGNIFICANTLY, HAS BRED A DEEP CYNICISM AMONG ITS OWN PEOPLE. ITS POLITICAL LEADERSHIP HAS BECOME INBRED AND MYOPIC. AND IT HAS LOST THE ABILITY TO MOTIVATE ITS PEOPLE, WHO, CONDITIONED FOR SO MANY YEARS TO A WAR PSYCHOSIS, DEMAND AND DESERVE A BETTER LIFE.

--MOSCOW'S RESPONSE TO THESE DEMANDS IS TIGHTER REPRESSION AT HOME AND MILITARY ADVENTURISM AND SUBVERSION ABROAD.

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## US RESPONSE

-- TO TAILOR OUR RESPONSE TO THE ONE REAL CHALLENGE THE SOVIETS DO POSE...MILITARY POWER AND POLITICAL SURVERSION...WE MUST TAILOR OUR RESPONSE TO MEET THEIR STRENGTHS AND TAKE ADVANTAGE OF THEIR WEAKNESSES.

-- WE WILL DO THIS BY RELYING ON OUR STRENGTHS: OUR TRADITION OF WORKING AS FAIR AND EQUAL PARTNERS WITH OTHER NATIONS AROUND THE WORLD WHO ARE OPPOSED TO SOVIET HEGEMONY ...OUR RECENTLY DORMANT BUT HUGE MILITARY INDUSTRIAL MIGHT ...OUR TECHNOLOGICAL AND MANAGERIAL SKILLS.

-- RONALD REAGAN HAS SPELLED OUT A THREE PART COURSE THAT WILL USE ALL OF THOSE STRENGTHS AND WE ARE WELL EMBARKED UPON IT.

-- FIRST, PRESIDENT REAGAN HAS MOVED VIGOROUSLY AND WITH THE BI-PARTISAN SUPPORT OF THE CONGRESS TO REINVIGORATE OUR ECONOMY, TO PROVIDE A BASE OF NEW STRENGTH FOR OUR OWN ACTIONS. A STRONGER US ECONOMY WILL, IN TURN, IMPROVE THE OVERALL HEALTH OF THE INTERCONNECTED GLOBAL ECONOMY...THUS REMOVING A SOURCE OF INSTABILITY THAT THE SOVIETS CAN EXPLOIT.

-- SECOND, HE HAS ARTICULATED A FOREIGN POLICY THAT IS DESIGNED TO SUPPORT OUR FRIENDS AROUND THE WORLD AND IS NOT AFRAID TO PUNISH THOSE WHO MAKE THEMSELVES OUR ENEMIES, NOR TO OPPOSE THE LESS OBVIOUS FORMS OF SOVIET AGGRESSION. THIS

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POLICY HAS MET WITH THE ENTHUSIASTIC SUPPORT OF THE EUROPEAN AND MIDDLE EASTERN LEADERS WITH WHOM THE PRESIDENT AND I HAVE MET.

O WE HAVE ALREADY DEMONSTRATED A NEW RESOLVE TO COME TO THE AID OF EMBATTLED FRIENDS: EL SALVADOR, MOROCCO, EGYPT, SUDAN, SAUDI ARABIA, PAKISTAN, THAILAND, AND OTHERS.

O WE WILL HELP THEM TO ENGAGE SOVIET PROXIES, AND WE WILL DO SO OURSELVES; BE IT CUBA, LIBYA, OR VIET NAM.

O WE ARE ENHANCING THE SECURITY AND DEFENSE CAPABILITIES OF US FRIENDS AND ALLIES THROUGH INCREASED SECURITY ASSISTANCE. WE HAVE ADDED \$900 MILLION IN BUDGET AUTHORITY ABOVE AND BEYOND THE 1982 SECURITY ASSISTANCE REQUEST OF THE LAST ADMINISTRATION. THE INCREASES ARE TARGETED ON COUNTRIES CURRENTLY THREATENED BY THE SOVIET UNION OR ITS PROXIES. TO EL SALVADOR AGAINST CUBA; TO THAILAND AGAINST VIET NAM; TO MOROCCO, TUNISIA, EGYPT, AND SUDAN AGAINST LIBYA.

O WE HAVE ANNOUNCED A NEW, MORE OPEN, ARMS TRANSFER POLICY BASED ON A GREATER AWARENESS OF THE NEED OF OUR FRIENDS TO MATCH THE INCREASINGLY SOPHISTICATED ARMS THE SOVIETS ARE SPREADING AROUND THE WORLD.

-- THIRD, THIS ADMINISTRATION IS COMMITTED TO A SUBSTANTIAL INCREASE IN OUR DEFENSE CAPABILITIES SO THAT WE CAN MEET AGGRESSION AT ANY LEVEL, WHENEVER IT MAY OCCUR. WE HAVE

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ALREADY REQUESTED AN ADDITIONAL \$32 BILLION TO THE LAST ADMINISTRATION'S DEFENSE BUDGET REQUESTS, AND HAVE PLANS TO SPEND ABOUT \$200 BILLION OVER AND ABOVE WHAT THE CARTER ADMINISTRATION'S FIVE-YEAR DEFENSE PLAN ENVISAGED.

O IN NUCLEAR WEAPONS, WE ARE RESERVING THE DECISION OF OUR PREDECESSORS AND WE ARE BUILDING A NEW INTERCONTINENTAL BOMBER, WE ARE ARMING THE CURRENT BOMBERS WITH 3000 CRUISE MISSILES, AND WE ARE GOING TO DEPLOY A NEW LAND BASED MISSILE. IN EUROPE, WE HAVE GAINED ALLIED REAFFIRMATION OF THE DECISION TO DEPLOY MISSILES CAPABLE OF STRIKING MOSCOW, AND WE ARE SELLING A MIRVED SUBMARINE LAUNCHED MISSILE TO THE BRITISH.

O IN THEATER WEAPONS, WE ARE COMPLETELY MODERNIZING THE ARMY WITH A NEW TANK, ARMORED FIGHTING VEHICLE, ROCKET LAUNCHER, ASSAULT HELICOPTER, AND THREE NEW ANTI-AIRCRAFT MISSILES. WE HAVE INCREASED PRODUCTION OF FIVE TYPES OF FIGHTER-BOMBERS. PREPOSITIONED WEAPONS ARE BEING SENT TO THE INDIAN OCEAN AND TO EUROPE.

O THE NAVY WILL GROW FROM 12 TO 15 CARRIER BATTLE GROUPS AND FROM 450 TO 600 SHIPS. SUBMARINES AND SURFACE SHIPS (INCLUDING TWO BATTLESHIPS) WILL BE EQUIPPED WITH LONG RANGE CRUISE MISSILES.

O INTERVENTION FORCES WILL BE AUGMENTED BY NEW AIR AND FAST SEA LIFT. WE ARE IMPROVING FACILITIES IN NORTH AFRICA AND THE INDIAN OCEAN. WE HAVE TAKEN THE PAPER RAPID DEPLOYMENT FORCE WE FOUND AND MADE IT A REAL COMMAND.

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-- THIS THREE PART STRATEGY WILL PERMIT US TO TALK TO THE SOVIET UNION FROM A POSITION OF STRENGTH, WHEN WE ARE ON THE UP TURN AND THEY ARE TURNING DOWN.

-- AND WHEN WE TALK, IN THE AREA OF ARMS CONTROL (AS WE WILL, BEGINNING WITH THEATER MISSILES) WE WILL INSIST ON ABSOLUTELY EQUITABLE AGREEMENTS THAT DO NOT INFRINGE ON OUR MILITARY REQUIREMENTS. AND WE WILL NOT TALK ABOUT ARMS CONTROL IN A VACCUUM.

-- WE HAVE ALREADY MADE IT CLEAR TO THE SOVIETS THAT WE WILL NOT DO BUSINESS AS USUAL WHILE THEY CONTINUE TO ACT AS INTERNATIONAL BRIGANDS. I AM NOT LOATHE TO STATE EXPLICITLY THAT THIS POLICY IS ONE OF LINKAGE.

#### REGIONAL ANALYSIS

-- LET ME OUTLINE HOW WE HAVE EMBARKED ON NEW POLICIES AND AUGMENTED OTHERS IN EVERY REGION OF THE WORLD TO MEET THESE THREATS.

#### EUROPE

-- IN EUROPE THE SOVIET UNION TRIES TO SPLIT THE UNITED STATES AND ITS NATO ALLIES. WE BELIEVE THE ESSENTIAL WAY TO DEFEAT THAT TACTIC IS TO EXERCISE AMERICAN LEADERSHIP IN THE ALLIANCE, TO BRING OUR ALLIES TO RESIST THE SOVIET UNION MORE RESOLUTELY, WITHOUT CREATING PUBLIC DISAGREEMENTS BETWEEN ALLIANCE PARTNERS THAT WOULD SERVE SOVIET PURPOSES.

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WE HAVE ALREADY MOVED EFFECTIVELY TO RESTORE CONFIDENCE IN AMERICAN LEADERSHIP AND HAVE HAD NOTABLE SUCCESSES.

O OUR EFFORTS HAVE MET WITH WIDESPREAD SUPPORT, MUCH OF IT IN PUBLIC AND EVEN MORE IN THE PRIVATE MEETINGS THAT THE PRESIDENT AND I HAVE HAD.

O THE DECISION BY CHANCELLOR SCHMIDT TO STAKE HIS FULL PRESTIGE AND POSITION ON CONTINUED FRG SUPPORT OF THE LONG RANGE MISSILE BASING IS FIRST PROOF OF THE NEW CONFIDENCE NATO LEADERS HAVE IN AMERICAN LEADERSHIP OF THE ALLIANCE.

O THE BRITISH ARE GOING AHEAD WITH THE DOUBLING OF THEIR NUCLEAR FORCE TARGETED ON RUSSIA USING OUR TRIDENT MISSILE.

O THE SPANISH ARE GOING AHEAD WITH THEIR PLAN TO JOIN NATO.

O THE TURKS ARE STABILIZING THEIR SITUATION AND-- WITH OUR HELP AND THE GERMANS'--ARE REBUILDING.

O WE HAVE ALREADY HAD TALKS WITH THE NEW FRENCH GOVERNMENT AND BELIEVE THAT THEY SHARE OUR PERCEPTIONS THAT WE NEED TO INCREASE OUR DEFENSES AND ENGAGE SOVIET PROXIES SUCH AS LIBYA.

O NATO MINISTERS REAFFIRMED THEIR COMMITMENT TO CONTINUING 3% REAL GROWTH IN DEFENSE EXPENDITURES, AND LINKED FUTURE ARMS CONTROL TO SOVIET BEHAVIOR IN POLAND.

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O NATO'S UNIFIED RESPONSE TO THE POSSIBILITY OF A SOVIET INVATION OF POLAND ILLUSTRATED THE BENEFITS GAINED FROM DECISIVE AND COHERENT US LEADERSHIP. ALTHOUGH NATO DID NOT PLAY A DIRECT MILITARY ROLE IN DETERRING SOVIET INTERVENTION, ITS UNITY AND WILLINGNESS, UNDER US LEADERSHIP, TO TAKE SEVERE ECONOMIC, DIPLOMATIC, AND POLITICAL REPRISALS AGAINST SOVIET AGGRESSION UNDOUBTEDLY HAS CONTRIBUTED TO SOVIET RESTRAINT THUS FAR.

#### MIDDLE EAST/SOUTHWEST ASIA

-- WE SEE THE REGION FROM MOROCCO THROUGH THE ARAB STATES AND BEYOND TO PAKISTAN AS THE PRIMARY TARGET OF THE SOVIETS ...BECAUSE IT IS EXPERIENCING DESTABILIZING SOCIO-ECONOMIC CHANGE...BECAUSE IT IS ESSENTIAL TO THE ECONOMY OF THE WEST ...BECAUSE WE HAVE NO DEFENSES IN PLACE. WE ARE TAKING SEVERAL STEPS IN THIS AREA.

O I MADE CLEAR ON MY TRIP TO THE MIDDLE EAST THAT WE SEE THE PEACE PROCESS BETWEEN ISRAEL AND THE ARAB STATES AS SUPPORTIVE OF OUR OVERALL GOAL OF CONTAINING THE SPREAD OF SOVIET SPONSORED INSTABILITY THROUGHOUT THE MIDDLE EAST BECAUSE THE SOVIETS USE THE LACK OF A SETTLEMENT TO EXACERBATE TENSIONS IN THE AREA. WE HAVE ESSENTIALLY ACHIEVED AGREEMENT ON A SINAI PEACEKEEPING FORCE.

O IN NORTH AFRICA, WE HAVE TAKEN STEPS TO INCREASE MILITARY AID AND THE LETHALITY OF WEAPONS TO MOROCCO, TUNISIA,

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AND EGYPT TO MEET SOVIET AGGRESSION THROUGH THEIR LIBYAN PROXIES. WE ARE DETERMINED TO WORK WITH ARAB AND AFRICAN STATES TO ROLLBACK QADHAFI.

O OUR DECISION TO PROVIDE SOPHISTICATED AIR FORCE EQUIPMENT TO SAUDI ARABIA (AWACS, ETC.) DEMONSTRATES OUR WILLINGNESS TO BUILD STRONG REGIONAL FORCES TO DETER SOVIET AGGRESSION, EVEN WHEN THAT MEANS DOMESTIC POLITICAL PROBLEMS FOR US.

O IN THE PERSIAN GULF AND INDIAN OCEAN WE ARE FORGING A NETWORK OF COOPERATING STATES WITH MODERN DEFENSES AND IMPROVED FACILITIES INTO WHICH WE CAN MOVE RAPIDLY IF WE ARE NEEDED. CONSTRUCTION IS ABOUT TO BEGIN ON FACILITIES IN OMAN, EGYPT, SOMALIA, KENYA, AND DIEGO GARCIA.

O PAKISTAN IS A GOOD EXAMPLE OF THE DIFFERENCE IN OUR NEW POLICY. WE HAVE REAFFIRMED OUR SECURITY COMMITMENT. WE HAVE OFFERED A FIVE YEAR ASSISTANCE PROGRAM INVOLVING \$2 BILLION AND ARE WILLING TO PROVIDE THE MOST MODERN EQUIPMENT. WE HOPE TO COORDINATE OUR EFFORTS THERE CLOSELY WITH YOU.

O BY ENCOURAGING COOPERATION AMONG AREA STATES, BY ARMING AND ADVISING THEM, BY INCREASING OUR OWN PEACETIME MILITARY PRESENCE, AND BY GREATLY INCREASING OUR REINFORCEMENT CAPABILITIES...WE BELIEVE WE CAN DEFEAT SOVIET SPONSORED SUBVERSION, AND DETER DIRECT SOVIET INTERVENTION BY INCREASING THE COST IN THE REGION AND THREATENING WAR-WIDENING.

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AFRICA

-- IN AFRICA WE HAVE MOVED ON A NUMBER OF FRONTS TO COUNTER THE SOVIET UNION AND ITS PROXIES.

O THE GREATEST OPPORTUNITY THE SOVIET UNION COULD EXPLOIT IS THE NAMIBIA PROBLEM. THE NEW ADMINISTRATION HAS A VIGOROUS NEW APPROACH TO LIQUIDATING THIS SOVIET OPPORTUNITY. WE HAVE REOPENED CONTACT WITH SOUTH AFRICA TO INCREASE OUR INFLUENCE FOR A PEACEFUL SETTLEMENT IN NAMIBIA. BY EMPHASIZING CONSTITUTIONAL GUARANTEES PRIOR TO ELECTIONS, WE HOPE TO GIVE SOUTH AFRICA THE CONFIDENCE TO PERMIT NAMIBIAN INDEPENDENCE WHILE LIMITING SOVIET INFLUENCE IN THE NEW GOVERNMENT. WE HAVE GOTTEN THE SUPPORT OF OUR MAJOR ALLIES IN THE CONTACT GROUP FOR THIS APPROACH.

O WE ARE GOING TO TRY TO USE THE NAMIBIAN INDEPENDENCE PROCESS TO ACHIEVE ONE OF OUR MAJOR GOALS: GETTING THE CUBANS OUT OF ANGOLA.

O WE HAVE BEGUN TO TAKE MEASURES AGAINST LIBYA AND YOU WILL SEE MUCH MORE SIGNIFICANT ONES UNFOLD. I HAVE ALREADY MENTIONED OUR EFFORTS WITH THE ARAB STATES AGAINST LIBYA. WE ARE WORKING ON BOTH DIPLOMATIC AND MILITARY APPROACHES TO GET THE LIBYANS OUT OF CHAD.

O AT THE SAME TIME WE HAVE UNDERTAKEN MAJOR ASSISTANCE PROGRAMS TO SHORE UP KEY AFRICAN COUNTRIES SUCH AS ZIMBABWE, KENYA AND LIBERIA.

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LATIN AMERICA

-- IN THE WESTERN HEMISPHERE, WE ARE DETERMINED TO COUNTER CUBAN AND SOVIET SUBVERSION AND TO REDUCE OPPORTUNITIES FOR EXTERNAL INTERVENTION IN THE REGION. WE WILL ALSO OPPOSE ANY ATTEMPT BY NICARAGUA TO EXPAND ITS MILITARY INVOLVEMENT AND PROMOTE INSTABILITY THROUGHOUT THE REGION. WE HOPE TO FIND WAYS TO REVERSE THE TREND OF THE SANDANISTA GOVERNMENT TURNING INTO ANOTHER CUBA. YOU MAY BE HELPFUL THERE.

O WE HAVE DEMONSTRATED IN EL SALVADOR THAT WE WILL NOT TOLERATE SOVIET PROXY INTERVENTIONISM. WE HAVE INITIATED A BALANCED BUT SUBSTANTIAL EFFORT TO STRENGTHEN THE CENTRIST GOVERNMENT AGAINST EXTREMIST FORCES. WE HAVE PROVIDED CONSIDERABLE MILITARY AND ECONOMIC ASSISTANCE TO HELP CREATE AN ENVIRONMENT IN WHICH NEEDED ECONOMIC, SOCIAL, AND POLITICAL REFORMS CAN TAKE PLACE. OUR FIRST PRIORITY, HOWEVER, IS TO REDUCE AND ULTIMATELY ELIMINATE THE EXTERNALLY SUPPORTED INSURGENCY.

O FOR THE LARGER CENTRAL AMERICAN/CARIBBEAN REGION, WE ARE ACTIVELY FASHIONING AN IMAGINATIVE, BOLD APPROACH WHICH WE HOPE WILL BE THE KEY TO THE REGION'S STABILITY. AGAIN, THIS WILL BE A BALANCED EFFORT--A MIXTURE OF US ECONOMIC AID AND SECURITY ASSISTANCE AND ACTIONS BY THE LOCAL STATES THEMSELVES DESIGNED TO ELIMINATE THE ROOT CAUSES OF INSTABILITY. WE ARE CONFIDENT THIS PLAN FOR THE SO-CALLED

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CARIBBEAN BASIN WILL REDUCE OPPORTUNITIES FOR SOVIET AND CUBAN-INSPIRED UNHEAVAL; HOWEVER, WE ARE ALSO PREPARED TO DEAL WITH SUCH UPHEAVAL AND THOSE WHO SUPPORT IT MORE DIRECTLY, IF NECESSARY.

#### EAST ASIA AND THE PACIFIC

-- IN EAST ASIA AND THE PACIFIC, WE ARE CONFIDENT OF OUR ABILITY TO SUCCESSFULLY CONFRONT THE SOVIET CHALLENGE WITH THE ASSISTANCE OF OUR ASIAN ALLIES AND FRIENDS AND THE MAINTENANCE OF A STRONG US MILITARY POSTURE IN THE REGION.

O IN THE COMING WEEK I WILL BE CARRYING A PUBLIC MESSAGE OF RENEWED US SUPPORT FOR THE ASEAN NATIONS WHICH WILL PROVIDE A CLEAR EXAMPLE OF OUR POLICY OF CLOSE CONSULTATION ESTABLISHED EARLY IN THE REAGAN ADMINISTRATION AND ALREADY ADVANCED THROUGH THE SUCCESSFUL VISITS OF FOREIGN, DEFENSE AND OTHER MINISTERS FROM MOST OF THE ASEAN STATES. WE INTEND TO CONTINUE OUR SUPPORT FOR THE ASEAN APPROACH TO THE KAMPUCHEA PROBLEM, INCLUDING SUPPORT FOR AN INTERNATIONAL CONFERENCE, AND WE HAVE ALREADY INCREASED OUR SECURITY ASSISTANCE FOR THE FIVE MEMBER NATIONS.

O SPECIFICALLY, I WILL REAFFIRM OUR COMMITMENT TO THE SECURITY OF THAILAND, AND UNDER THE MANILA PACT.

O IN MY TRIP TO ANZUS, WHICH WILL BE THE FIRST BY A US SECRETARY OF STATE TO WELLINGTON IN SOME YEARS, I WILL

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DEMONSTRATE RENEWED US EMPHASIS ON THAT ALLIANCE AND SEEK TO OBTAIN CONTINUED PARTICIPATION BY AUSTRALIA AND NEW ZEALAND IN SUPPORT OF OUR INCREASED MILITARY ACTIVITIES IN THE WESTERN INDIAN OCEAN.

O WITH JAPAN, TODAY, THE US ENJOYS ALMOST A COMPLETE CONVERGENCE OF VIEWS ON ALL MAJOR INTERNATIONAL ISSUES, AND BILATERAL RELATIONS ARE STRONG. WE ARE ENCOURAGING THE JAPANESE TO DEVELOP CREDIBLE SELF-DEFENSE CAPABILITIES, AND TO INCREASE THEIR FINANCIAL CONTRIBUTIONS TO THE MAINTENANCE OF US FORCES THERE, SO THAT WE CAN CONCENTRATE ATTENTION IN AREAS, SUCH AS THE PERSIAN GULF, WHICH FALL OUTSIDE THE US-JAPAN TREATY AREA BUT HAVE VITAL IMPORTANCE FOR BOTH NATIONS. WE HAVE ALSO ENCOURAGED, AND BEEN ENCOURAGED BY, THE INCREASED USE OF JAPANESE OVERSEAS DEVELOPMENT ASSISTANCE IN STRATEGIC PLACES, SUCH AS PAKISTAN AND THAILAND, TO BOLSTER OUR COMMON GLOBAL DEFENSE POSTURE. PRIME MINISTER SUZUKI'S VISIT WAS PERHAPS THE BEST US-JAPAN SUMMIT EVER, FAR OVERSHADOWING IN OUR MINDS, THE TEMPORARY CONTROVERSIES WHICH HAVE ARISEN SINCE.

O IN KOREA, WE HAVE RENEWED OUR RELATIONSHIP WITH THE LEADERSHIP OF ROK AND REAFFIRMED OUR COMMITMENT TO STAND FIRM ON THE PENINSULA. I RECOGNIZE THAT WE DIFFER IN OUR APPROACH TO THIS ISSUE, BUT YOU CAN REST ASSURED THAT WE WILL CONTINUE TO SEEK STABILITY AND A PEACEFUL RESOLUTION OF PROBLEMS IN THIS AREA OF NORTHEAST ASIA.

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O FINALLY, HERE IN BEIJING, MY MISSION OVER THESE NEXT FEW DAYS IS TO DEMONSTRATE TO CHINA AND THE WORLD THE VITAL IMPORTANCE THE US PLACES ON ITS RELATIONS WITH THE PEOPLE'S REPUBLIC OF CHINA IN ALL CONTEXTS--GLOBAL, REGIONAL AND BILATERAL. WE HAVE LONG ACKNOWLEDGED THAT CLOSE US-CHINA RELATIONS WERE IN OUR NATIONAL INTEREST. WE RECOGNIZE YOUR IMPORTANT ROLES AS A COUNTERWEIGHT TO THE USSR IN ASIA, IN KEY STRATEGIC AREAS SUCH AS SOUTHWEST AND SOUTHEAST ASIA AND THROUGHOUT THE THIRD WORLD. WE ALMOST RECOGNIZE THE EQUAL IMPORTANCE OF HARMONIOUS, CONSTRUCTIVE RELATIONS, IN ALL AREAS OF HUMAN ENDEAVOR, BETWEEN THE AMERICAN AND CHINESE PEOPLE, WHO TOGETHER MAKE UP OVER ONE-QUARTER OF MANKIND.

#### CONCLUSION

-- THIS IS AN OUTLINE OF THE THREATS WE SEE, THE MILITARY AND REGIONAL INITIATIVES WE HAVE UNDERWAY AND THE NEW DIRECTION WE HAVE CHARTED. WE ARE REALISTS. WE KNOW WE CAN'T REVERSE THE TRENDS OF THE LAST DECADE OVER NIGHT; OUR INITIATIVES WILL REQUIRE TIME TO TAKE HOLD; CONFIDENCE IN US WILL NOT RE-EMERGE IMMEDIATELY SIMPLY BECAUSE WE SAY WE'RE SERIOUS --RATHER WE MUST PROVE BY OUR ACTIONS THAT WE ARE; EVEN THEN THE CONFIDENCE OF OUR FRIENDS AND ALLIES--AND THEIR WILLINGNESS TO TAKE RISKS ALONG WITH US--WILL ONLY COME WITH THE PASSAGE OF TIME AND REPEATED DEMONSTRATIONS OF OUR CONSISTENCY AND STAYING-POWER.

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-- WE ARE COMMITTED TO THE COURSE WE ARE CHARTING AND WILL ENDEAVOR IN A PERSISTENT, PATIENT, AND SUSTAINED WAY TO PUT OUR POLICY IN PLACE.

-- I HOPE IN THE NEXT FEW DAYS WE CAN DISCUSS OUR MUTUAL CONCERNS AND IDENTIFY THE AREAS WHERE COOPERATION BETWEEN US CAN BE MOST PRODUCTIVE IN COUNTERING DIRECT AND INDIRECT SOVIET THREATS. I WILL ALSO WANT TO DISCUSS NEW INITIATIVES WE ARE TAKING IN THE BILATERAL AREA, AND TO OUTLINE FOR YOU OUR INTENTIONS REGARDING TAIWAN.

~~SECRET~~